GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR
LOK SABHA

UNSTARRED QUESTION NO:3210
ANSWERED ON:15.03.2000
GROWTH RATE
VIJAY GOEL

Will the Minister of SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR be pleased to state:

(a) the present growth rate of small scale industries in the country, State-wise;

(b) whether the present growth rate is low compared to the growth rate achieved during last three years;

(c) if so, the reasons therefor; and

(d) the steps taken/proposed to be taken by the Government to improve the growth rate of small scale industry?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGF RURAL INDUSTRIES

(SMT. VASUNDHARA RAJE)

(a) The estimated growth rate of small scale industries in the country for the year 1998-99 was 7.7 per cent over the previous year. These data are computed centrally for the whole country.

(b) Yes, Sir.

(c) The slowing down of the growth rate is primarily due to slackening in aggregate demand for manufactured goods, both domestically and internationally.

(d) The Government has been running a large number of schemes for promotion of the SSI sector; these include technology upgradation, market development, infrastructure development, entrepreneurship development and creation of IT infrastructure. In addition, several measures have been announced in the Union Budget 2000-2001 to improve the supply of credit to this sector. These include raising the limit of loans without collaterals from Rs. one lakh to Rs. five lakhs, doubling the quantum of single window composite loans (both term loan and working capital) from Rs. five lakhs to Rs. ten lakhs, extending the operation of Technology Development and Modernisation Fund Scheme by another three years and the Credit Guarantee Scheme for loans upto Rs. ten lakhs to the tiny sector entrepreneurs.